

CENTRAL INTELLIGENCE AGENCY

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Conference of East German Economists

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At a conference held by East German economists in East Berlin on 11 March 1955, Fred Oelssner elaborated on the waste of materials, faulty planning, and the high percentage of rejects at VEB enterprises caused by sabotage, malevolence, and economic and political ignorance. Oelssner reproached the enterprises for a large-scale waste of wage funds. He stated, millions of eastmarks are misused on wages instead of introducing modern technical norms; and hundreds of thousands were spent on undeserved bonuses. Oelssner especially blamed the method used by the heavy industry which balances its losses by government subsidies. He made it clear that the 1955 Economic Plan would leave no space for whitewashing poor production results by pointing to the stepped-up mass production of consumer goods.

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